VZCZCXYZ0000 OO RUEHWEB

DE RUEHUNV #0309/01 1501646
ZNY CCCCC ZZH
O 291646Z MAY 08
FM USMISSION UNVIE VIENNA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8006
INFO RUEHII/VIENNA IAEA POSTS COLLECTIVE PRIORITY

CONFIDENTIAL UNVIE VIENNA 000309

SIPDIS

DEPT FOR ISN/RA, IO/T

E.O. 12958: DECL: 05/28/2018 TAGS: <u>AORC PARM KNPP IAEA IR</u>

SUBJECT: IAEA/IRAN: GETTING TO CONSENSUS ON A CHAIRMAN, S

STATEMENT

Classified By: Ambassador Gregory L. Schulte for reasons 1.4 b, d, h

Summary and Comment

- 11. (C) P5 1 Deputies/Counselors meeting May 29 agreed to seek instructions on a Canadian draft Chairman's Statement (para 13) by Friday May 30. Russia did not have any readout from the PolDir phone conference. China said it had instructions to "explore" the possibility of a Chairman's Statement. The EU-3 clearly preferred a resolution, which Russia and China have ruled out, but Germany and France also see value in a Chairman's Statement. The UK and France insisted that any statement be "tough" and "substantial." Canada transformed and updated its draft resolution into a draft Chairman's Statement for the P5 1's consideration. In presenting the draft, Canada stressed a balance between a "tough" statement and something that could command consensus.
- $\underline{\mathbb{1}}2$ . (C) The Canadian draft is not ideal, and could be toughened further, but this would come at the expense of Board consensus. Tactically, however, we can propose stronger language to thwart efforts to dilute the Statement In negotiating a Chairman's Statement, we would also need to use the threat of a Board resolution as leverage to secure consensus. In many ways, a Chairman's Summary is more difficult to negotiate, given that any one country on the 35-memebr Board can break consensus. Having P5 1 agreed language and support from the Board Chair and, if possible, the DG, would help build consensus. The Board Chair must be consulted as soon as possible, though he is supportive in principle. None of the NAM members currently on the Board are likely to raise a priori objections, but we will need to enlist support from South Africa, India and Brazil at the earliest opportunity. South Africa and India's Governors have both expressed concern to us about the polarizing impact of a resolution. End Summary and Comment.

## EU-3 Could Back a Strong Statement

¶3. (C) P5 1 Deputies/Counselors and Canada met informally May 29 on the margins of the Secretariat's technical briefing on Iran to discuss the possibility of Chairman's Statement at the June Board. Based on the readout of the May 28 PolDir call, Nuclear Counselor noted that the U.S. had not necessarily ruled out a resolution but had agreed to explore the German proposal of a Chairman's Statement. The objective would be for the Board to speak with one voice, something it had not done since referring Iran to the Security Council in February 2006. He reminded the P5 1 that in accordance with the Statute, the Board, not just the Secretariat, speaks on behalf of the Agency. While the Canadian draft resolution was a bit weak, he said the U.S. was open to a formulation that would support the Secretariat's efforts.

- 14. (C) German DCM Kimmerling explained that Germany likewise preferred a resolution, if it were possible, and underlined that Board consensus would signal strong support for the Secretariat's verification efforts. A statement would be another option to send a common, clear message, he observed. The Canadian draft was a good starting point in communicating the fact that outstanding issues had not been resolved, and urging Iran to clarify these legitimate concerns. Based on the 2003 precedent of a "Chairman's Conclusion," any negotiation of a statement must involve the Chairman, he noted, and the need for Board consensus further limited this option. Nuclear Counselor reported that the DG had told Ambassador Schulte that though he was concerned about divisions on the Board, a unified Board message would help the Secretariat's efforts.
- 15. (C) France understood that the suggestion of a Chairman's Statement was an attempt to address Russia and China's reservations about a Board resolution. French DCM Gross saw value in a unified Board message, and agreed that the Canadian draft resolution could provide the basis for a statement. Since this would be the first message by the Board in a long time, he cautioned that it should be a substantial and updated reflection of the Secretariat's concerns as expressed in the DG report and technical brief. UK Msnoff said he could see value in a "tough statement" that all six of the P5 1 could support and promote on the Board, but would not accept a Board statement that had been "watered down to irrelevance" under pressure from the NAM. Msnoff reported that the NAM is divided, with many members expressing frustration.

Russia and China Non-Committal

\_\_\_\_\_

- 16. (C) Russian DCM Sergeev said he had not received a readout of the PolDirs call but had heard broadly that his PolDir agreed to the concept of sending a supportive "signal" to the DG. Sergeev did not have instructions to support a Chairman's Statement and reiterated that Russia was not in favor of a resolution, which it viewed as counterproductive. He noted there remained nuances among the P5 1 in their assessments and approaches, but did not rule out a Chairman's Statement.
- ¶7. (C) China emphasized the need to re-start negotiations with Iran on the P5 1 package, and noted that anything we did in the Board should be conducive to a peaceful resolution of the Iran issue. Chinese DCM Liu had also heard that the PolDirs touched on the idea of a Chairman's Statement. China had no formal position but he had instructions to explore this possibility consistent with PolDir discussions.
- 18. (C) Nuclear Counselor expressed support for the diplomatic process and hoped negotiations with Iran would be constructive. However, he reminded P5 1 counterparts that our job in Vienna was safeguards and he underlined the need for the Board to support the Secretariat's verification process. A Chairman's Statement that was agreeable to the P5 1 would likely garner broad support on the Board, he observed. If there were P5 1 unity, he did not expect any a priori objections from Board members, given that those likely to object were not currently on the Board.

Canada Presents Draft Statement

\_\_\_\_\_

19. (C) Canadian DCM Wood explained that Canada's initiative on a Board resolution had been intended to be helpful to the P5 1. In light of the P5 1 PolDir's telcon, Canada turned its draft resolution into a proposed Chairman's Statement (full text in para 13). Canada wholly agreed that the language should be tough but able to achieve consensus, and wished it could be tougher than the current draft. Para 4 of the Statement was updated to reflect the strong language of the DG report on the need for substantive explanations on

information related to "possible military dimensions." Any reference to "alleged studies" had been dropped. The bracketed language in Para 6 on Code 3.1 was not in the initial Canadian draft resolution shared with the P5 1, but Canada supports its inclusion as the DG report referred to potential new violations of Code 3.1. (Note: This language was a U.S. suggestion. End note.)

110. (C) Nuclear Counselor asked P5 1 counterparts to seek instructions by Friday, May 30 and suggested that Ambassadors meet that day to allow time to approach the Board Chair and engage other Board members as soon as possible.

## Reaching Out to Other Board Members

- 111. (C) During pre-Board consultations with Ambassador Schulte May 28, Board members, including Italy, Switzerland, Argentina, India, Brazil, Philippines, Mexico, and Nigeria agreed that the May 26 DG report was tough on Iran and sought to support the Director General. Board members were aware of the prospect of a resolution and asked to be consulted early to allow time for instructions (Note: This was prior to the PolDir call the same day. End note). Italy was most supportive of a resolution while India, Brazil and Switzerland questioned the utility of pursuing one. However, much depended on the content; Brazil and India (privately) could countenance a non-controversial, simple resolution making the basic point that Iran's nuclear file is not closed. Separately, even the Egyptian DCM thought that a Board resolution was unavoidable given the tenor of the DG's report.
- 112. (C) Meanwhile, the NAM is divided. We were told that during NAM Working Group deliberations on May 28, Iran and Cuba pushed through a weak draft statement over several objections. India managed to delete a reference to Iran's "excellent" cooperation but Iran fought back any effort to refer to the need for "continued" cooperation on the "alleged studies." South Africa beat back language from Iran insisting that weaponization is not within the IAEA's mandate, though the draft statement retains a reference to the fact that no nuclear material has been detected in this connection. Singapore had a "swath" of deletions but was unable to press its case as it lacks a mission in Vienna. Indian Ambassador Kumar expressed frustration with the NAM to Ambassador Schulte and gave up on reasoning with them. The

NAM statement will be finalized at a Plenary on June 2 before the Board. Based on these reports, we expect that national statements by NAM members to be much stronger. Mission will continue to work on South Africa, India and Brazil (not a NAM member), in particular, to build support for a Chairman's Statement. South African Governor Minty advised us May 29 not to risk a potentially divisive resolution, even as he endorsed the frank tone of DDG Heinonen's technical brief (septel).

Canadian Draft Chairman's Statement

113. (SBU) Begin text of Canadian draft Chairman's Statement:

The Board reaffirms its continuing resolve to support a diplomatic solution to the Iranian nuclear issue and commends, in this context, the diplomatic efforts by China, France, Germany, the Russian Federation, the United Kingdom, and the United States, with the support of the European Union's High Representative.

The Board welcomes the latest report by the Director General on the Iranian nuclear issue, contained in GOV/2008/15, and recalls previous reports by the Director General and resolutions of the Board, including the resolution adopted on 4 February 2006 (GOV/2006/14). The Board also recalls United Nations Security Council resolutions 1696 (2006), 1737 (2006), 1747 (2007), and 1803 (2008).

The Board expresses its appreciation to the Director General and the Secretariat for their professional and impartial efforts to implement the NPT Safeguards Agreement in Iran and

in relevant provisions of United Nations Security Council resolutions, and acknowledges the progress made in clarifying many outstanding issues in the context of the work plan agreed between Iran and the Secretariat in August 2007 (INFCIRC/711);

The Board stresses the need for Iran to provide without further delay all information, clarifications and access outlined in GOV/2008/15 and previous reports and resolutions, including substantive explanations regarding information related to possible military dimensions which remain a matter of serious concern. The Board emphasizes that such cooperation of Iran is critical to the Agency's verification that Iran's declarations are both complete and correct.

The Board underscores the need for Iran to take the confidence-building measures required of it by the Board and Security Council, including the suspension of all uranium enrichment-related, reprocessing, and heavy water research reactor-related activities, and calls on Iran to ratify without delay and implement fully the additional protocol and to provide the additional transparency and access measures as requested by the Director General.

(The Board asserts the Agency's continuing right to early access to design information for new and modified nuclear facilities, as specified in Iran's NPT Safeguards Agreement and in the Subsidiary Arrangements which were agreed between Iran and the Agency pursuant to the Board Decision of 1992 contained in GOV/2554/Attachment2/Rev.2.)

The Board requests the Director General to continue to report on his verification efforts in Iran until such time as the Board deems that confidence in the exclusively peaceful nature of Iran's nuclear program has been established, and remains seized of the matter.

End Text.

SCHULTE